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BRA

(Boston Redevelopment Authority)

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For the past two months, the City Council's Committee on Urban Development has conducted a most reasonable and thorough public hearing on the proposed Park Plaza Urban Renewal Project.

Whatever your decision, I commend your courtesy, fairness, and objective consideration. *I will not make a point of refutation of the many long and short arguments made in the course of the public hearing.*

Out of the hearings has come impressive and broad public support for Park Plaza. Except for the misstatements, wild accusations, and illogical reasoning of a fringe segment of the media and a representative of some of the area's owners and tenants, the city has urged your approval. Through business organizations such as the Chamber of Commerce and the Back Bay Federation, labor organizations, community groups, and most of the media, you have been asked to continue the solid gains Boston has made through the tool of urban renewal. It is worth asking: where would Boston be without Government Center, Prudential, and our other urban projects?

The only understandable opposition has come from the potential relocatees who have appeared before you. I recognize their concern and I pledge to you and to them that the Authority will commit every possible resource and effort to mitigate difficulties and hardships and to successfully relocate them. We want them to continue prosperous and healthy; they are important to our city. *On this point, the Authority is in a position to help them.*

The Authority, too, in the past two months has looked at and considered Park Plaza. We feel more strongly than ever; and I take this opportunity to state as forcefully and positively as I have or will on a proposal: The Park Plaza project warrants

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I take this opportunity to restate some hard truths, ~~and~~ ~~some~~ basic facts and ~~several~~ benefits about Park Plaza.

The Hard Truths

Boston has come a long way from mid-century, when she was actually on the verge of municipal bankruptcy; she is doing better than most urban centers. But:

- . The desire to move ^{to} the suburbs continues.

A recent Boston Globe series on Boston's neighborhoods revealed an alarming percentage of middle and upper income citizens who hoped to flee. We have made an impressive start in improving the lot of the low income segment, but our city cannot survive without the economic, intellectual, and social input of middle and upper income people. We must plan for and provide for their place. Park Plaza does this.

- . The suburban retail business continues to grow at the expense of the inner city. No dramatic catastrophe has yet hit us - but the signals are flashing. New York has seen many of its glamour outlets retire to the suburbs. Some of our downtown stores are not making a profit and have held on just to be a Boston store; their profits come from their branches. We witness the coming closing of a Back Bay landmark - Bigelow Kennard Co. And the former Best & Co. site still stands

vacant. Boston's economy needs its retail businesses. We must provide resources for them. We must strengthen the link between Downtown and Back Bay. We must provide modern facilities and shopping conveniences. Park Plaza does this.

. The competitive society remains. And whether a Councillor likes high buildings or wants to see his Boston change is not the point. The hard truth is that we compete for our survival. The city must be attractive, must grow, must provide incentives and lures to reach for new and hold onto existing industries and institutions. Park Plaza does this.

. Boston is almost solely dependent on the property tax for her fiscal survival. We hope to change that. But the hard truth is that we must encourage growth and new construction; we must replace decadence and tiredness with higher uses and higher tax yields. Park Plaza does this.

. Intown decadence and deterioration continue. We take pride in our renaissance to date, but we can't stop, because the blight has not been erased; it continues. The "combat zone" spreads if allowed. We must make a start in this most vital area. Park Plaza does this.

Some Basic Facts About Park Plaza

The Project area is decadent and deteriorating. Whether you use Federal guidelines, applicable State law, or court cases, Park Plaza qualifies for urban renewal. Chapter 121B says very clearly: the local renewal agency shall make a determination; if decadence and deterioration exist, urban renewal and the power of eminent domain should be used. *D+E*
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own interest
of decadence
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We are convinced that the Project is legal, that public purpose exists, and that any court challenge would be fruitless.

No
The Authority is most capable of carrying out the Project and protecting the public interest. *Not in would stand and not say yes*
We have demonstrated our ability in the past; the health of much of the city bears witness. We have a strong staff, professional people, who are working to one end: the furtherment of Boston.

The Developers are most able and have our confidence. We have introduced testimony to show their standing in the financial community. They received our designation only after an open competition, in which their proposal was judged to be, by far, the best of five submissions. They have demonstrated a willingness to cooperate and to compromise. Their reputation as outstanding, young developers is at stake; they cannot afford to fail. I have confidence that they will not.

The area cannot and will not be renewed if left to private enterprise alone. The vacant lot in Park Square tells us that. Mr. Lund's letter demonstrates the futility and difficulty of private enterprise in assembling development parcels.

If left alone, the area will continue to degenerate. The combat zone is free to grow and to spread. Any new development

will be disorderly and haphazard. As the planning agency for the City, we maintain that Park Square and its adjacent area need a unified and total approach; this can come only through a plan, conceived, controlled, directed, and carried out by the proper agent of the City, the Boston Redevelopment Authority.

Some Immense Benefits

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Dew.
Tax return, of course, first comes to mind. The eventual increased return will be positive and dramatic whether one states triple or quadruple present return. Tax return is important and easily understood, but there are other, equally significant benefits: *Should the traffic from 1917 in 1918*

15% in 1918

. Employment will be provided in thousands of construction jobs and in the completed development.

. A new residential community will be created, which will bring into and keep in the city people with the talents and skills that we sorely need.

. A strong retail section will be created which hopefully will attract new outlets to Boston and which will complement and link our present areas of the Back Bay and Downtown.

. A new hotel and convention center will be created which will enable us to show visitors, the desirability, the livableness, the strength of Boston. *red ink*

. Necessary traffic improvements will be made.

. A start will be made on erasing the "cancer" of intown.

We are convinced that by starting with the most marketable area, at this time, we can successfully accomplish the eventual renewal of the combat zone. I will not be satisfied until that happens.

concerns that you have regarding the plan in its present form, and I have indicated my willingness to discuss and review these concerns. Let me respond briefly to what seem to be the points that are causing the most trouble, and to present the position of the Boston Redevelopment Authority on them as frankly as possible. I think there are three basic questions here:

- . Is this a feasible project?
- . Is it equitable in its treatment of present owners and tenants?
- . Are the City's interests being adequately protected?

Feasibility

I have gone into feasibility in detail in previous statements. We have developed a creative approach that overcomes the lack of any federal funds. It has received the specific backing of the financial community that will be the source of redevelopment funds. It harnesses the energies and talent of developers with proven skills who were chosen in a vigorous and open public competition. Key portions of the plan, for example, the estimates of tax revenues that were reviewed by the Municipal Research Bureau, have received independent and objective confirmation. And the plan has received support from an impressive cross-section of the public, the business community and the press. The most encouraging testimony, to me, came from your impartial witness, the Boston Society of Architects. It is significant that a professional group, which in the past, has not always been supportive of the Authority, describes the Plan as "well conceived" and "well developed."

It states the case for Park Plaza:

"The past ten years' development of the central area of Boston has induced a major revitalization of economic, social, and cultural activity in the City of Boston. The Park Plaza project is a logical and natural extension of this re-growth which should not be halted."

Equitable Relocation Plans

The Council members have expressed a concern over the treatment of those that presently occupy the site, particularly in regard to the retail (and commercial) tenants who will be forced to relocate. I think this concern is justified. Too often in the past the undeniable benefits of large-scale public improvements, from urban renewal to highway development, have been attained at the expense of unwarranted burdens and hardships placed on the shoulders of small tenants and businesses. ~~The BRA's record is frankly no better than any other public agency in this regard.~~ But given the problem, what is the appropriate response? I believe that response is not to throw out plans for vitally-needed redevelopment, but to insure fair treatment of those who are displaced. As I have noted before, we have, in this plan, committed ourselves to meet the federal standards for relocation treatment, even though there are no federal funds involved to pick up those costs. These are fair standards, and we will live up to them. I place myself unreservedly on record as resolving to work diligently to that end, all of us at the BRA will be aware that the Council will be watching us carefully in this area.

The City's Interest

Perhaps the greatest degree of concern has been expressed in relation to whether the specific terms of the plan adequately protect the City's interest in regard to the estimated sales price of City-owned land, the deposit required from the developer, the extent to which the developer is required to proceed with the project. There is a deep-seated public suspicion of real estate developers in general, and this is a legitimate public concern. But it sometimes seems paradoxical, that ^{that} we are saying, if a developer is willing to undertake development, then we must be giving away too much. I think it may help if I try and tell you how we view the balance we were striving for, and I believe attained, in the terms of this plan. Recognize that we have to be concerned with the possibilities of both failure and success. The question of the size of the developer's deposit can help to illustrate this. On the one hand we want it to be large enough to demonstrate and insure the full commitment of the developer's efforts and resources to the project, and also to provide a cushion for the City in case of his failure or default. Yet we don't want to impose so large a requirement on the developer that it will unduly restrict his ability to operate in the critical period before final City action and approvals and financing commitments are forthcoming. / In a situation where we must, in the end, rely on the energy and enterprise of private developers, we have attempted to balance the need to enhance the developer's ability to complete the project with the need for proper public surveillance and control. We believe that the terms that we have developed are a sound compromise that maximize the possibility of success, and this is what will benefit the City most in the end.

In your deliberations, you have raised some legitimate questions of public concern. In a project as complex as Park Plaza, you would be remiss if you did not. I would like to reiterate my previously stated willingness to clear up any inconsistencies. I would like to state my openness to any reasonable suggestions. The developers join me.

A final word about the hearing. I ask you to consider, aside from the rhetoric, the narrowness of the opposition as contrasted with the broadness of support. The most encouraging testimony, to me, came from your impartial witness, the Boston Society of Architects. When a professional group that, in the past, has not always been supportive of the Authority describes the Plan as "well conceived" and "well developed", I and the staff are encouraged and reinforced. One of their statements deserves repeating because it states the case for Park Plaza:

"The past ten years' development of the central area of Boston has induced a major revitalization of economic, social, and cultural activity in the City of Boston. The Park Plaza project is a logical and natural extension of this regrowth which should not be halted."

Some people cite the "West End" and say that the community gave the project support and only the farsighted saw the pitfalls. Some faulty logic that I don't pretend to understand carries this argument to Park Plaza. We have learned from our past mistakes; we will have no West End.

I would rather see the opposition as the same kind of parochial and limited thinking that opposed Prudential, Government Center, and all of the other successful and beneficial changes that have contributed to our revitalization.

Boston has a long history of positive and dynamic public action for the public benefit. Beginning with the Quincy Market in the early nineteenth century, continuing with the creation of the Back Bay in the mid-nineteenth century, and picking up again with the rebirth of the past decade, Boston has been well served by her public agents.

I ask you not to stop now; I urge you to approve the Park Plaza Project.

